



State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

September 28, 2021

Mr. James G. Scott, Director
Centers for Medicare & Medicaid Services
Medicaid and CHIP Operations Group
Division of Program Operations
601 East 12th Street, Suite 0300
Kansas City, MO 64106-2898

STATE PLAN AMENDMENT 21-0046: EMERGENCY AIR MEDICAL
TRANSPORTATION SERVICES AUGMENTATION PAYMENTS

Dear Mr. Scott:

The California Department of Health Care Services (DHCS) is submitting the enclosed State Plan Amendment (SPA) 21-0046 documents for your review and approval. SPA 21-0046 seeks federal approval to continue augmentation payments for fee-for-service Medi-Cal emergency air medical transportation services for state fiscal year (SFY) 2021-22.

Assembly Bill (AB) 2173 (Chapter 718, Statutes of 2017) established the Emergency Medical Air Transportation Act (EMATA) to fund supplemental payments for emergency air medical transportation services, through the use of \$4.00 penalty assessments for certain vehicle code violations. AB 2450 (Chapter 52, Statutes of 2020) authorizes DHCS to continue augmentation payments to emergency medical air transportation providers through December 31, 2022, or until the funds have been exhausted. SPA 21-0046 will provide for an additional year of augmentation payments to eligible emergency air medical transportation services provided in SFY 2021-22.

The following SPA documents are enclosed for your review and approval:

- Pages 6 and 7 of Supplement 16 to Attachment 4.19B (clean version)
- Pages 6 and 7 of Supplement 16 to Attachment 4.19B (redline version)
- CMS 179 - Transmittal and Notice of Approval of State Plan Material
- Standard Medicaid Funding Questions
- Budget Impact Explanation

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A Notice of Public Interest regarding the augmentation payments for the Medi-Cal emergency air medical transportation services was published on the DHCS webpage on June 25, 2021. On August 19, 2021, CMS informed DHCS that a tribal notice was not required for this SPA.

If you have any questions or need additional information, please contact Connie Florez, Chief, Fee-For-Service Rates Development Division, at (916) 552-9600, or by email at Connie.Florez@dhcs.ca.gov.

Sincerely,



Jacey Cooper
State Medicaid Director
Chief Deputy Director
Health Care Programs

Enclosures

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**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2. STATE

3. PROGRAM IDENTIFICATION:

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

5. TYPE OF PLAN MATERIAL (*Check One*)

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION

7. FEDERAL BUDGET IMPACT

a. FFY _____ \$ _____

b. FFY _____ \$ _____

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*)

10. SUBJECT OF AMENDMENT

11. GOVERNOR'S REVIEW (*Check One*)

GOVERNOR'S OFFICE REPORTED NO COMMENT
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED

12. SIGNATURE OF STATE AGENCY OFFICIAL

16. RETURN TO

13. TYPED NAME

14. TITLE

15. DATE SUBMITTED
September 28, 2021

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

18. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

22. TITLE

23. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: CALIFORNIA

4. Effective July 1, 2014, the payment augmentation amount for each emergency air medical transportation service will be calculated as described in section (b).
- (a) Base rates for emergency air medical transportation services are the State Agency's rates per procedure code as posted on the Medi-Cal Rates website: <https://files.medi-cal.ca.gov/Rates/RatesHome.aspx>
 - (b) Payment augmentation amounts for emergency air medical transportation services will be calculated by multiplying the augmentation rate by the date of service projected utilization.
 - i. The augmentation rate is the difference between the base rate and the maximum allowable amount per transport based on the state average of providers' usual and customary rates charged to the general public for an emergency air medical transport.
 - ii. For the 2019/20 rate year, the maximum annual amount available for the payment augmentation will be based on a total pool amount of \$10,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(v), for the dates of service period July 1, 2019 through June 30, 2020, until the annual pool amount is exhausted.
 - iii. For the 2020/21 rate year, the maximum annual amount available for the payment augmentations will be based on a total pool amount of \$13,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, using the methodology described in b(i) and subject to the limitations of b(v), for the dates of service period July 1, 2020 through June 30, 2021, until the annual pool amount is exhausted.
 - iv. For the 2021/22 rate year, the maximum annual amount available for the payment augmentations will be based on a total pool amount of up to \$10,000,000. Payments from this pool amount will be distributed to eligible air medical transportation providers, contingent on the availability of funds, using the methodology described in b(i) and subject to the limitations of b(v), for the dates of service period July 1, 2021 through June 30, 2022, until the annual pool amount is exhausted.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: CALIFORNIA

- v. The total computable augmentation amount for each rate year shall not exceed the applicable total allowable under b(ii), and b(iii), b(iv).
5. Effective July 1, 2021, the payment augmentation described in paragraph 4 above will be based on the following methodology for drawing enhanced federal funds for the Affordable Care Act (ACA) Newly Eligible Adult population (ACA Optional Population).
- i. For each eligible augmentation payment, described in paragraph 4(b) above, the Department will claim enhanced Federal Financial Participation (FFP) on the ACA Optional Population. This population is eligible to be reimbursed at the enhanced Federal Matching Assistance Percentage (FMAP). The Department will apply the appropriate enhanced FMAP in accordance with the specified FMAP for the relevant year.
 - ii. The Department will identify the Medi-Cal ACA Optional Population, based on Aid Codes, for each emergency medical air transport eligible to receive the payment augmentation. The total augmentation payments for the combined ACA Optional Population Aid Codes will be calculated.
 - iii. The Department will claim and draw down the enhanced federal funds based on the total augmentation payment eligible for the ACA Optional Population.

C. Payment Augmentation

- 1. The payment augmentation amount will be an add-on to the base rate for FFS emergency air medical transportation and will be posted on the Notes to Rates page of the Department's Medi-Cal web site for each applicable date of service period:
<https://files.medi-cal.ca.gov/Rates/RatesHome.aspx>